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APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF
MALAYSIA

IPF:(1992-96) $ 7091000

(MAL/92/010) - Strengthening the Industrial Property System of Malaysia

Date of approval by the AC:[1/]	16 June 1993
Expected duration:	28 months
Proposed executing agency:	WIPO
Government implementing agency:	Ministry of Domestic Trade & Consumer Affairs
Proposed UNDP contribution:	$549400 Source of funds: IPF
Total UNDP budget:	$549400

Project background

The industrial property system in Malaysia is still at the stage of being further developed to keep pace with the country's industrialisation process and economic growth. The Government has made serious efforts to provide effective protection of industrial property rights in the country. Although progress has been made, a considerable improvement is still needed. The Malaysian Patents Act 1983, which came into force on 1 October 1986, provides an independent patent system in Malaysia, replacing the previous system of re-registration of United Kingdom patents. Before October 1990, two Government Ministries were involved in the administration of the Malaysian patent system. The first was the Patent Registration Office (PRO), a unit under the Registry of Trademarks and Patent within the Ministry of Trade and Industry (now Ministry of International Trade and Industry), which handled registration of patent and trademarks applications and granting of certificates. The second was the Patent Information and Documentation Centre (PIDC) within the Standards and Industrial Research Institute of Malaysia under the Ministry of Science, Technology and Environment, which performed the search and substantive examination of patents and trademarks application. The fragmented industrial property functions by different ministries, coupled with the lack of experienced staff, had greatly hampered the Government's efforts to promote national innovative activities and transfer of technology through speedy processing of patenting and patent protection.

As of late 1990, the Government started to examine its industrial property system. The creation of the new Ministry of Domestic Trade and Consumer Affairs in October that year had streamlined the Government's fragmented industrial property functions originally performed by the different ministries. The new Ministry was also assigned the responsibility for copyrights and industrial designs. The Intellectual Property Division (IPD) of the new

[1/] This Fact Sheet reflects the status of the project/revision at the time it was approved by the Action Committee; modifications to the project/revision may have occurred subsequently.

Ministry now takes care of all the intellectual property functions, including registration of patent applications, technical examination of applications, trademarks, copyrights and industrial designs. The Government has thus brought together the industrial property functions under one Ministry.

Since the entry into force of the Patents Act in 1986 until October 1992, accumulated unprocessed applications for patents amount to over 8,300, and unprocessed trademarks applications around 40,000. This huge backlog, plus new applications, is expected to take about 10 years to clear based on the current and newly recruited examiners' outputs, according to the Government's own assessment. This has caused serious dissatisfaction among the applicants and agents and inhibiting external investments. In view of the above-mentioned situation, the Ministry initiated contacts with WIPO in early 1992 for assistance; and this was consequently brought to the attention of UNDP for funding. Two expert missions were sent from WIPO in July and December 1992 under preparatory assistance, to identify and determine the specific needs of the Government. The findings and recommendations of these missions have served the basis for further UNDP assistance under the current proposed project.

Description of project

The project will mainly provide advisory expert services to assist in the strengthening and development of the new Intellectual Property Division (IPD) through training of new staff, assistance in the introduction of increased computerised administration, developments of patents and trademarks database, establishment and use of patent information services, guidance on the application of proposed revised legislation on patents and trademarks, and the possible introduction of a national industrial designs legislation. The project will also undertake the acquisition of patent documentation collections and other technical reference material which is essential for the patent examining process and the establishment of patent information and documentation service.

Inputs

UNDP will provide six man-months for an expert on patent classification, examination, administration and legislation including one man-month to conduct group training; six man-months for an expert to advise on trademark classification, examination, administration and legislation including one man-month to conduct group training, seven man-months of consultancies on industrial design legislation, intellectual property procedures, computerisation and on patent information and documentation; 10 fellowships for training abroad; a subcontract for software development; acquisition of technical documentation; and miscellaneous costs.

Financial data

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Personnel	381400
Subcontract	20000
Training	100000
Equipment	40200
Miscellaneous	7800
Total	549400

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